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Press Release

FOR IMMEDIATE RELEASE

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Attorney General McGraw Files an Objection in Bankruptcy Court to Chrysler's Proposed Termination of 17 Dealerships in WV

On May 26, 2009, Attorney General Darrell McGraw filed an objection with the United States Bankruptcy Court in the Southern District of New York against Chrysler's proposed termination of 17 Chrysler dealerships in West Virginia. Earlier this month, Chrysler asked the bankruptcy court to terminate 789 of its dealerships across the country. If Chrysler's request to terminate these dealerships is approved by the bankruptcy court, only seven Chrysler dealerships will remain in West Virginia.

he objection filed by Attorney General McGraw asked the bankruptcy court to consider the hardship the termination of the dealers will impose on West Virginians because they will have to drive further to service their vehicles under the manufacturer's warranty. McGraw also objected to the procedures for terminating the dealerships because the process was arbitrarily in violation of West Virginia law.

"Termination of the Chrysler dealerships in West Virginia will cause untold harm to dealers and consumers alike," said Attorney General McGraw. "Dealers are Chrysler's primary customers. It simply does not make sense to terminate your customers when you are trying to sell more cars."

The bankruptcy court is scheduled to hear Chrysler's request and multiple objections on June 3 in New York. If approved, these dealerships could close as early as June 9.

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